

**PROPOSED CHANGE OF UTAH-NEVADA STATE
BOUNDARY; AMENDMENTS TO THE NEW HAMP-
SHIRE-VERMONT INTERSTATE SCHOOL COM-
PACT; AND TAX TREATMENT OF BONDS ISSUED
BY THE GOVERNMENT OF AMERICAN SAMOA**

HEARING
BEFORE THE
SUBCOMMITTEE ON
COMMERCIAL AND ADMINISTRATIVE LAW
OF THE
COMMITTEE ON THE JUDICIARY
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTH CONGRESS
SECOND SESSION
ON
H.R. 2054, H.R. 3180 and H.R. 1448

MARCH 6, 2002

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WEDNESDAY, MARCH 6, 2002

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COMMERCIAL
AND ADMINISTRATIVE LAW,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The Subcommittee met, pursuant to call, at 2:05 p.m., in Room 2237, Rayburn House Office Building, Hon. Bob Barr [Chairman of the Subcommittee] presiding.

Mr. BARR. The meeting of the Subcommittee on Commercial and Administrative Law for purposes of hearing and markup of H.R. 2054, H.R. 3180 and H.R. 1448 will come to order.

The Subcommittee meets today to conduct a hearing and a markup on three bills. Two of the three measures we consider today deal with interstate compacts.

Among the many privileges associated with being a Member of the Commercial and Administrative Law Subcommittee is the opportunity to review compacts between States. Before I begin to discuss the two compacts on today's agenda, a brief discussion of the constitutional provision that commands our attention to these measures might be informative.

Article I, section 10, clause 3 of the Constitution provides that, "no State shall, without the consent of Congress, lay any duty or tonnage, keep troops or ships of war in time of peace, enter into any agreement or compact with another State or with a foreign power, or engage in war unless actually invaded or in such imminent danger as will not admit of delay."

Happily the bills we consider today do not touch on issues relating to duties or tonnage, to ships of war or invasion by a foreign power. Rather our meeting will focus on questions that require congressional consent nonetheless; a change in the territorial boundaries between Utah and Nevada, and an amendment to the Interstate School District Compact between New Hampshire and Vermont.

We begin with H.R. 2054, a bill that has been introduced in Congress by Utah Representative James Hansen and Nevada Rep-

representative James Gibbons, to provide prospective congressional consent to a potential boundary change between Utah and Nevada. We are delighted to have Representative Hansen here today with us.

Wendover is a city divided by the Utah-Nevada State line. Since its establishment in 1907, Wendover has enjoyed a unique and storied history. Over the last century, Wendover has been transformed from a sleepy railroad supply station to a vibrant metropolitan cityscape. During the 1940's, Wendover's Air Force base trained B-29 bomber crews, including that of the Enola Gay which hastened the conclusion of World War II.

Its location in both Nevada and Utah has made it a focus of national prominence, and different State and local laws have had a marked impact or marked effect on the economic development of both cities. West Wendover, located on the Nevada side of the border, is a city with liberal alcohol laws, legalized gambling, a strong tax base and a booming population. Wendover, Utah, is quite different. Wendover, Utah, is typified by weaker businesses, a weaker tax base and a stagnant population comprised largely of residents who work in neighboring West Wendover. Currently residents of both cities support costly and duplicative municipal services with separate fire, police and utilities departments.

For many years now, residents of both States have moved toward unifying this divided city. H.R. 2054 would facilitate this effort by providing the prospective consent of Congress to a boundary change approved by State and local residents of both States.

It is important to stress that while H.R. 2054 is not without opponents, it does not take a position on substantive details best resolved by the State and local governments and citizens of both States. Rather the bill places limits on the total acreage of land that might be shifted and creates a window for both States to assent to the measure.

Some have called Wendover a tale of two cities. Others call the State divide line dividing the cities "the great divide." And to those who do not believe that State and local laws affect the social and economic development of cities, we say let them go to Wendover. See it.

That is precisely what Chairman James Sensenbrenner did in November of last year. Chairman Sensenbrenner's field briefing in Wendover was attended by State and local officials as well as area residents. While Chairman Sensenbrenner heard from a number of voices, a clear consensus emerged on at least one issue, that local residents be given an opportunity to weigh in on any proposed boundary change. The Chairman committed to ensuring this outcome, and the amendment I will offer today delivers on this promise by conditioning congressional consent upon local approval of any boundary change.

As the Supreme Court has noted, the interstate compact mechanism contemplated by the framers of the Constitution adapts to our union of sovereign States the age-old treaty-making power of independent sovereign nations. While considering this legislation we should attempt to adhere to the spirit of this holding and defer to the people and representatives of both States, who are best able to

resolve the legal, factual and local considerations that underlie this important discussion.

The second compact we consider today is H.R. 3180, which amends the New Hampshire-Vermont Interstate School Compact originally approved in 1969. The measure amends the compact to permit participating interstate school districts to modify the manner in which school board issues are considered.

Last year residents of the Dresden Interstate School District voted to approve these changes. The Legislatures of New Hampshire and Vermont subsequently ratified these amendments. The New Hampshire portion of this school district lies in Representative Charlie Bass's congressional district, who we also welcome to today's meeting.

While the proposed amendments have not drawn national headlines, they nonetheless advance important educational goals. Importantly, H.R. 3180 leaves ultimate balancing procedures to the discretion of voters in the local school district, who are free to accept or reject the modified voting procedure the amendment would permit.

It is now our responsibility to effect the will of the people of both States by examining these proposed changes.

The third measure on today's agenda is not an interstate compact bill, but one of no less significance. H.R. 1448 was introduced by Representative Eni Faleomavaega, of American Samoa.

Like Wendover, American Samoa enjoys a unique cultural and political history. American Samoa is a group of five volcanic-based islands and two coral atolls located some 2,600 miles south of Hawaii in the beautiful South Pacific.

Once the object of European colonial competition, American Samoa became an unincorporated, unorganized territory of the United States in 1900 and passed its own Constitution in 1960. American Samoa served as an important naval calling station, and during World War II the islands were a vital staging area for U.S. Marines operating in the Pacific theatre.

H.R. 1448 would amend Federal laws to exempt bonds issued by the Government of American Samoa from Federal, State and local taxation. Government bonds issued by other U.S. Possessions and territories such as Guam, the Virgin Islands Puerto Rico enjoy this status. Thus, the purpose of this bill is not to craft a special exception to a general rule, but to harmonize the tax treatment of American Samoan bonds with those of other States and territories in order to enable American Samoa to better attend to the public needs of its residents.

Representative Faleomavaega had been scheduled to testify at today's hearing, but is unable to attend because of a family emergency. He asks that I emphasize the importance of this bill to the residents of American Samoa and expressed his appreciation for our consideration of this measure.

[The prepared statement of Mr. Faleomavaega follows:]

PREPARED STATEMENT OF THE HONORABLE ENI F. H. FALEOMAVAEGA, A
REPRESENTATIVE IN CONGRESS FROM AMERICAN SAMOA

Mr. Chairman:

Thank you for holding this hearing and mark-up on H.R. 1448, a bill to clarify the tax treatment of bonds and other obligations issued by the Government of American Samoa.

Under current federal law, the territories of the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands have the authority to issue municipal bonds to foster a broad range of economic activity. These bonds are exempt from income taxation by the federal government, state governments, territorial governments, municipal governments, and the government of the District of Columbia. American Samoa also has the authority to incur debt and issue bonds, but the income from most bonds is subject to taxation by state and municipal governments.

The amendment in the nature of a substitute being offered today by the Chairman gives the Government of American Samoa the authority to issue a full range of bonds, the interest on which will be exempt from taxation by other governments. This is consistent with the tax exemption given to other territories. The amendment also makes clear that the bonds would not be exempt from gift, estate, inheritance, legacy, succession or other wealth transfer taxes which may at any time be in effect. The substance of the amendment is the same as H.R. 1448, but addresses ancillary issues such as the existing language relating to industrial development bonds and the cross reference to Section 103 of the Internal Revenue Code in a different manner.

The existing law on tax exempt bonds for American Samoa (48 USC 1670) consists of three sections. Section (a) authorizes ASG to issue industrial development bonds. Section (b) exempts industrial development bonds from state and local taxation. Section (c) cross-references the tax exemption with Section 103 of the Internal Revenue Code. The term "industrial development bonds" referred to in Section 1670(a) is terminology used prior to the changes made to the Internal Revenue Code in 1986.

As introduced, H.R. 1448 repeals all of Sec. 1670, replaces it with authority for ASG to issue private activity bonds, and then exempts those bonds from state and local taxation. To affirm the legality of bonds issued before enactment of H.R. 1448, the bill includes a provision applying current law to bonds issued before enactment, and applies new law to bonds issued after enactment.

The amendment in the nature of a substitute leaves Sec. 1670(a) [industrial development bonds] and Sec. 1670(c) [the cross reference to Section 103 of the Internal Revenue Code] in place, and substitutes the substantive part of H.R. 1448 for Sec. 1670(b).

The existing Section 1670(a) provides authority for the local government to issue certain bonds. So there is no inference that any authority to issue bonds is being withdrawn from the American Samoa Government, Section 1670(a) is being left in place.

As noted before, what will become the new Section 1670(b) in the substitute contains the substance of H.R. 1448. This provision exempts the interest on bonds issued by the local government from taxation by "the Government of American Samoa and the governments of any of the several States, the District of Columbia, any territory or possession of the United States, and any subdivision thereof." This section also makes it clear that the exemption is only applicable to income taxes and not any wealth transfer taxes imposed by other jurisdictions.

The cross reference to Section 103 of the Internal Revenue Code contained in Section 1670(c) is not changed. Section 103 is entitled "Interest on State and local bonds" and sets forth the exclusion from gross income the interest on certain bonds.

There is strong support in American Samoa for this legislation. The Governor of American Samoa is supportive of this bill, and has indicated that the local government could have saved \$100,000 in interest costs if the interest on the bonds the government issued in 2000 would have been tax exempt. The local power authority, a semi-autonomous government agency, would also like to sell bonds to purchase new diesel generator sets to accommodate the territory's growing population. This legislation will lower the interest costs of these prospective sales and will also enable the local government to address deficiencies in its current infrastructure.

Thank you again, Mr. Chairman, for holding this hearing. This legislation will have a direct and positive impact on the residents of American Samoa, and your assistance is very much appreciated.

Mr. BARR. Counsel, how much time do we have before a vote?

I would now like to recognize Ranking Member Mel Watt from the great State of North Carolina for any opening statement he

might care to make. Then we will break briefly to allow both our witnesses and Subcommittee's Members to vote.

Mr. WATT. Mr. Chairman, in the hope that we might be able to spare one or both of these busy gentlemen the necessity of coming back, I will just waive my statement. And hopefully one of them at least can get their statement in and not have to come back over here.

Mr. BARR. Thank you.

Mr. BARR. Other Members like to be recognized for opening statements? No. We appreciate the attendance of the Members.

As this time I would like to recognize our two witnesses, Chairman James Hansen, first elected to Congress in 1980 and currently Chairman of the House Resources Committee; and Representative Charles Bass, who was first elected to the Congress in 1994, at the same time I was. Their bios will be made a part of the record.

[The information referred to follows:]

BIOGRAPHIES OF THE HONORABLE JAMES HANSEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH AND THE HONORABLE CHARLES BASS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW HAMPSHIRE

REP. JAMES HANSEN

Rep. Hansen was first elected to Congress in 1980, and is currently Chairman of the House Resources Committee. Before being elected to Congress, Chairman Hansen served in the Utah House of Representatives, where he was Speaker of the House his last term. Prior to serving in the Utah Legislature, he served in local government as a three-term City Councilman for Farmington, Utah.

Mr. Hansen served in the United States Navy during the Korean War, and before entering public service, was an independent insurance agent and president of a Utah land development company. Hansen is a graduate of the University of Utah, and we welcome him to today's hearing.

REP. CHARLES BASS

Congressman Charles Bass was first elected to Congress in 1994. He is a graduate of Dartmouth College. Before being elected to Congress, Mr. Bass worked in the private sector, served as a New Hampshire State Representative, and as a State Senator. Mr. Bass, we are delighted to have you here today.

Mr. BARR. At this time I would like to recognize, in order of seniority, Representative Hansen on behalf of the bill that you offer to us today.

STATEMENT OF HONORABLE JAMES V. HANSEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. HANSEN. Thank you, Mr. Chairman. I appreciate that. And I appreciate the gentleman giving us this time.

Let me just point out that listening to your opening statement, you covered it all. I mean, I can just say Amen to what you said, and you covered everything there is in there.

Let me say that prior to coming to Congress, I was in the legislature, and I was eventually speaker of the house in the State legislature. It was always a problem for us, what do you do with Wendover? I mean, this tiny area out on I-80 that you have got to drive 3 hours to get to, and there is nothing but the salt flats, a pretty barren area, until you get there.

I often imagine what the Donner party saw as they were going across there, taking about 2 months longer than they should have.

And out of that, that kept them hung up in the Nevada Sierra Nevadas when they had that tragedy.

But, as you look at this Wendover area, what do you see? You see an area that was started by a man by the name of Smith and his wife Maggie, who came out to work for him from a place in Sanpete County, a little community in the middle of the State. She went to work there. They married, and all there was was a gas station and a—I guess we would call it a stop and rob today, or one of those little areas where they stop and buy a few things and move on further into Nevada or Utah.

And out of that came the State Line. State Line is quite a casino, right on the State line, but about two inches over onto the Nevada side. After that came the Silver Smith, two or three others, and because they did have gambling, because they had some other things, it turned into quite a metropolitan area by the standards of that part of Utah, and that would be a metropolitan area that is not as big as this building, if I may so say.

And in the Utah side, they don't have much. It is almost poverty row. On the other side it is kind of like Paris, France. It is really nice.

And so you look over on the Nevada side and they have for their police department maybe five or six brand new Ford Crown Victorias. On the Utah side they have got a 1962 Chevy pickup with a little light that they put on the top.

They have a redundancy in water, in sewer, in school, two school systems. Courts have held, for a reason that is beyond me, that they cannot not have different police departments, fire departments, even though they kind of violate that. If there is a fire on either side, they all rush over and help one another out.

You alluded to the airport, a really nice airport. We, Congress, has helped them out there, because it is an emergency airport for Hill Air Force Base, Fallon Navy Base, Nellis Air Force Base, and Mountain Home. And you can go in there and you go and see an F-14, an F-16, an F-15 that had to be in there for emergency repair. It was very handy to have that.

So all it is really doing, as you pointed out in your opening statement, is enabling these folks, if they want to do something with it, to have the legislatures on both sides meet, the councils, the county commissioners, and work out some type of agreement that would have to be passed by both State legislatures.

And I really would just like to say, we did it, we wash our hands, you got these 6 years to do it in. If you don't do it, you have had your chance, and I hope it would work.

But I guess in my 42 years as an elected official, I have always heard, what are we going to do with Wendover? This is the first time that we have been able to tackle it.

Mr. Gibbons, I think, has already given you a statement; he couldn't be here. He supports what I am saying. Both Governors support it. I think both legislative—both delegations in both States support it. And our Governor Mike Leavitt has given me the permission to say that he fully supports the action we are taking. Thank you.

Mr. BARR. Thank you very much, Chairman.

[The prepared statement of Mr. Hansen follows:]

PREPARED STATEMENT OF THE HONORABLE JAMES V. HANSEN, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF UTAH

Mr. Chairman, thank you for this opportunity to testify on H.R. 2054, a bill which I have co-sponsored along with Mr. Gibbons of Nevada, which would empower the communities of Wendover, Utah and West Wendover, Nevada, to determine whether the movement of the State boundary between Utah and Nevada would be in their mutual best interest.

By way of background, I have represented the people of Wendover, Utah and Tooele County for more than 21 years and have been privileged to work on a number of issues involving this area.

The greater Wendover community is divided socially, economically, and politically by the location of the State boundary. Although the two communities have grown side by side for decades knowing where the boundaries lie, it seems that some of the practical challenges faced by every small town is amplified in this particular area because of a unique mix of circumstances which distinguishes this area from countless other areas and cities all across the country which straddle State lines.

Some of those practical challenges include geography. The area is relatively remote and, on the Utah side, is bordered by the Bonneville Salt Flats and other public lands, which severely limit the ability of the Utah community to grow in the future. There are also challenges with providing water resources for the two communities in the desert climate. In fact, the primary water source for both communities is limited and is located north of the cities on the Utah side of the Pilot Mountain range. Yet the two communities maintain two separate culinary water delivery systems. In just about every category of public services, there is an inefficient duplication of effort; two separate police departments, two separate fire departments, duplicate utility systems, separate public school systems, local court systems, and the list goes on and on.

Further, there seems to be a perception that the Nevada side of the border has a more favorable climate for business and economic activity, and as a result, the Utah side has had long-standing difficulty in developing and maintaining comparably strong economic development.

Finally, there are problems involving the Wendover Airport which, in effect, was a catalyst in bringing forward the present legislation and effort to explore moving the state boundary.

The Wendover Airport has its origins in the U.S. Army Airfield during World War II. For a number of years, the City of Wendover has owned and operated the airport facilities. When the airport was in need of serious repairs and upgrades, the local community, and the leaders in Tooele County, came forward and supported a massive redevelopment and construction of a new, state of the art 8,000 foot runway. The end of the new runway is located exactly on the Utah-Nevada border, causing some of the aircraft approaches and clear-zones to be located on the Nevada side of the border. Both communities use the facility; however, it can be fairly stated that the Utah side, because of where the airport is located, has had to bear the brunt of the costs for upgrading and maintaining the facility while the Nevada side has benefitted perhaps more than the Utah side. The Utah side has had no ability to control the zoning on the Nevada side of the border in order to protect the airspace and clear zones for the new runway, which created some difficulties and spawned divisive and costly litigation. I am grateful that some of these problems seem to have been worked out and that the two communities have begun to work together more closely on airport matters. However, the reality remains that there are, and will continue to be problems with the operations of the airport so long as the present circumstances exist.

The continued viability of the airport is in the national interest. The U.S. Air Force and other military services use the airport as an emergency landing area because of its proximity to the Utah Test and Training Range. It has saved countless aircraft from being lost, and possibly pilot's lives, because it has been built and maintained by Wendover, Utah. Yet, Wendover and Tooele County's ability to continue maintaining the airport is limited because of its limited tax base. The airport's future would be better secured through its merger into one unified political subdivision.

For as long as I can remember, and through the changes in administration of local officials, it has been sort of a running joke that one way to correct a lot of these problems was just to redraw the State boundary to put Wendover, Utah, into Nevada. Early this year, Mayor Steve Perry and some of the council members approached me seriously about exploring the idea. I contacted my friend and colleague, Mr. Jim Gibbons, and discussed the matter with him and received his support for the drafting of H.R. 2054.

The approach of the legislation is to empower the local communities with their future destiny. For state boundaries to change under the Constitution, Congress must grant its consent, which is what HR 2054 would do. It is a prospective ratification of an interstate agreement between the two affected states which would meet certain criteria specified in the text of the bill.

First, under the bill, both states would have to ratify one agreement; an agreement that both sides would agree is acceptable. At any point, either state could walk away from the process and the boundary would not be moved. The wisdom of this approach is that whatever agreement is reached would inherently be acceptable to both sides. This approach removes Congress and the federal government from getting involved in the financial details of what is, essentially, a state and local matter.

Second, this approach of granting prospective ratification serves to highlight the issue and to provide motivation on both sides for seriously exploring what might serve their respective best interests. I am pleased that it already seems to have had that effect of promoting the establishment of a working group by the respective mayors to explore the many details involved.

Third, the legislation provides certain safeguards for the granting of Congressional consent. It limits the total amount of acres allowed to be subsumed into Nevada at 15,000 acres or less; roughly equivalent to the acreage contained within the existing municipal boundaries of Wendover, Utah. This protects against the possibility of a major revision of State boundaries and acreage. It also provides a time limit of 6 years for Congressional consent to be active. This will allow the Nevada State Legislature, which meets on a bi-cameral basis, at least 3 legislative cycles in which to review any compact arrived at. It provides enough time to seriously consider the issue, yet does not leave the matter hanging open indefinitely.

Finally, the legislation would require that any agreement transfer the airport into Nevada in order to remedy one of the largest sources of recurring problems between the two communities, and would encourage the drafting of a compact which would minimize the likelihood of future residential development on the new, revised border of Utah.

I understand that some of the gaming interests in the area are opposed to the idea and to this legislation. I believe that many of their economic concerns could be addressed through the compact process which could include local government agreements as to zoning in the new, annexed areas.

Also, I understand that some are calling for the inclusion of an amendment which would make the approval of the boundary change conditional upon the passage of a planned local referendum. I do not oppose such an amendment, and I strongly support the idea that the local communities and population should determine their future destiny. By design, the local governments would have to agree to the compact in order for it to progress through their respective legislatures. The bottom line is that in order for the boundary change to work, if ever at all, it will have to be in the best interests of both communities and both states.

In closing, it is difficult to contemplate the giving up of land and constituents from the First Congressional District and hand them over to my friend from Nevada, Mr. Gibbons. I do not entertain such an idea lightly. However, when asked by my local constituents as represented by Wendover City Mayor Steve Perry and the City Council, I have to take a serious look and try to represent what may be in their best interests in the Congress, which is what Mr. Gibbons and I have tried to do in the drafting of H.R. 2054.

While some people, perhaps map publishers, may wince at the idea of creating a little "jog" in that nice, straight-line that currently divides Utah and Nevada, I would point out that, quite often, boundaries are artificial creations of man in trying to deal with geopolitical problems and realities. Sometimes, in the interest of bettering people's lives, it may be necessary to revisit the initial dividing-up of land between political subdivisions, and I submit to you, Mr. Chairman, that this may be one of those occasions.

Thank you, again, Mr. Chairman.

Mr. BARR. I would like to recognize the Ranking Member Mr. Watt for a brief question.

Mr. WATT. I just wanted to ask a quick facetious question. Can we do this quick enough to get those people in Wendover out of the State so that we can keep the congressional district in North Carolina?

Mr. HANSEN. Mr. Watt, I think the problem we have got, there is not enough.

Mr. WATT. You mean, it is not that many.

Mr. HANSEN. No.

Mr. WATT. I have got to vote against it then.

Mr. BARR. We appreciate very much your appearance here today, as well as the work that you have done in assisting the Subcommittee and our staff over the last several months to prepare for this action today.

We do have a vote. But, Chairman Bass, if you would care to make a very brief statement, we won't keep you after the vote unless you certainly want to come back.

STATEMENT OF HONORABLE CHARLES F. BASS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW HAMPSHIRE

Mr. BASS. Thank you, Mr. Chairman. And I will complete it before the red light goes on.

Your opening statement said it all. All the legislation proposes to do is to ratify an amendment in the interstate compact that would allow the school district to have Australian-type balloting, which means the same kind of balloting that they use in every other school district, which is you are able to vote on bonding issues for the whole day instead of having the vote at the end of the school district meeting when most of people have gone home.

As you state in your opening statement, it requires an act of Congress to amend an interstate compact, and I hope that the Subcommittee will approve this bill and send it on to the full House.

Mr. BARR. Thank you.

[The prepared statement of Mr. Bass follows:]

PREPARED STATEMENT OF THE HONORABLE CHARLES F. BASS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW HAMPSHIRE

Thank you Mr. Chairman for affording me the opportunity to testify before your Subcommittee. I am here today asking for the Subcommittee's approval of H.R. 3180, legislation giving consent to an amendment to the New Hampshire-Vermont Interstate School Compact.

The New Hampshire-Vermont Interstate School compact was created by federal law in 1969 and currently consists of two school districts, Dresden and Rivendell along the New Hampshire and Vermont border. Any changes to the Compact require approval of the legislative bodies of New Hampshire and Vermont as well as the U.S. Congress.

This bill, however, would specifically address a request from the citizens of the Dresden School District. The amendment would allow citizens of the Dresden School District, comprising of Hanover, New Hampshire, and Norwich, Vermont to use Australian Balloting when voting on bond initiatives to incur debt. The Compact currently requires the School District to pass their bonds at a vote taken at the end of their traditional Town Hall meeting. These meetings can often be long affairs with voting coming at the end. The Compact, however, is somewhat inconsistent in that it allows the District to use Australian Balloting or all-day voting when voting on its annual District meeting items. This legislation would simply allow the school district to use the same all-day voting when considering bond initiatives.

The voters of the Dresden School District believe that moving to all-day voting for bond issuances votes will have two benefits over the current Town Meeting voting format:

- 1) All-day voting will be consistent with how the District currently votes to approve warrant articles;
- 2) All-day voting will allow for more voters to vote on bond issues.

This legislation is time sensitive to the Dresden School District, which is in the middle of a years-long proposal that will lead to a construction project to renovate and/or rebuild both its middle and high schools. The District is hoping to use Aus-

tralian Balloting in October of this year to approve the bond for this construction project. Therefore it is important that Congress act swiftly to approve this legislation.

The Rivendell School, which would also be affected by this legislation, is not opposing this change. However, they are not currently planning to move to Australian balloting, but would have the option to do so.

This legislation is non-controversial. The citizens of both Hanover and Norwich have passed warrant articles asking for this change and H.R. 3180 gives consent to the specific language that both the state legislatures of New Hampshire and Vermont have approved. Furthermore, my colleague from Vermont, Mr. Sanders, who represents Norwich, has cosponsored this bill. I ask for the Subcommittee's consideration and prompt approval of this simple but necessary legislation. Again, thank you for your time.

Mr. BARR. Do any Members have any questions for Mr. Bass?

With that, we appreciate, Mr. Bass, not only your being here today, but, as I told Chairman Hansen, your work with the Subcommittee and the Subcommittee's staff in providing the background that we need for expeditious action on this.

And we will stand in adjournment for a vote, and then we will reconvene for Committee business on these three pieces of legislation as soon as the vote is passed.

Mr. BASS. Mr. Chairman, I assume my statement can be made a part of the record?

Mr. BARR. Your statement and any additional supporting material that you would care to submit will be made a part of the record, and the same for Chairman Hansen.

We stand in adjournment.

